



STATE OF ARKANSAS
**Department of Finance
and Administration**

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Memorandum

To: Agency Procurement Officials, Purchasing Agents
From: Joseph A. Giddis
Date: June 29, 2005
Subject: Advertising Agency Solicitations

The Office of State Procurement, after meeting with representatives from local advertising agencies and state agency personnel, has developed a process for Advertising Agency solicitations that is mandatory for State agencies. OSP will use this process for those solicitations for which we have responsibility. Colleges and Universities are encouraged to use this process. This office will consider State agency requests for exception to this policy only in very specific instances provided there is substantial justification. For assistance please contact jerry.hester@dfa.state.ar.us

A significant difference in this procurement process is that it advocates the agency disclose in the solicitation document the dollar amount allocated for the contract and asks respondents to focus on detailing what will be provided rather than what it will cost. With this information respondents can tailor proposals and presentations to fit the agency's budget.

If the intent of the solicitation is to retain an advertising agency to help plan, develop and produce a campaign, production costs of various print media, radio and/or T.V. ads should not be made a part of the proposal evaluation criteria. Item production costs may be useful in helping to determine if rates are comparable to those of other providers, and may be included as an agenda item for discussion during the agency/vendor negotiations, but until the provider and the agency have had an opportunity to fully discuss the expected goals and objectives and develop a campaign strategy for reaching those objectives, most production costs will be merely approximations.

The RFP should **"state a goal or expected objective"**. This process may include identifying target audiences - if they are known. If the agency has not identified a target audience, the RFP should clearly indicate that this will be part of the ad agency's responsibility in meeting the stated objective. Target audiences are generally identified by: age, sex, ethnic background, language, geographic location and/or income. (Budgetary limitations may require that the agency narrow the scope of its campaign to areas where the target audience is most concentrated) The RFP should ask respondents to clearly define the **"best way to achieve the agency's stated goal"**.

References are an important element in evaluating the capability of a service provider – and this is especially true when it involves the selection of a company entrusted with delivering an agency's message to the public. The solicitation should require that references be provided and the agency evaluation committee should insure that each is contacted. Questions should be asked to determine if the provider successfully performed work of a similar nature to that detailed in the agency's RFP. Inquiry should be made as to whether the provider met all obligations of the agreement with regard to the quality of work, completion date, and agreed upon dollar amount. Also, references should be asked if the provider and all staff conducted themselves in a highly professional and ethical manner.

Respondents should be required to provide a list of their employees who will be assigned to work on the agency account and to designate the approximate amount of time (as a percentage) that each will spend in the development of the campaign.

The solicitation should require each provider to include as a part of the response at least three case studies which exemplify work similar to that described in the agency RFP. Each study should identify the client; contain a statement about the scope of work and provide insight into how the campaign was developed and implemented. Case studies should also detail how surveys (or other performance indicators) were used to measure the success of each program.

Of those providers whose proposals are evaluated, one or more may be selected to make oral presentations to the agency's evaluation committee. Since any substantive information provided to the committee during this presentation is subject to inclusion in any resulting contract, each presenter should be required to provide committee members with a full script or in-depth outline of the material covered during the presentation and evaluation committee members should be instructed to keep detailed notes of questions and answers made during each presentation. All presenters should be advised to adhere closely to the outline and to conform to the time allotted for presentation.

- Specify dollar amount allotted for the contract.
- State the **"goal or objective"**.
- Do not include production costs as a part of the proposal evaluation criteria.
- Request references and check each thoroughly.
- Ask for resumes of those assigned to work on the agency's campaign.
- Require Financial Statements
- Stipulate that respondents most likely to be considered for award of the contract will be required to make a presentation to the Evaluation Committee
- Have respondents conduct an In-depth review of at least three (3) case studies. Studies should demonstrate that the provider has:
 - Full service advertising agency capabilities
 - Expertise in developing radio and television campaigns
 - Media buying experience
 - Creative capabilities
 - Experience working on similar type campaigns of comparable size
 - Acceptable performance indicators for measuring campaign success

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Advertising Agencies